APPENDIX A

UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

[Filed 07/21/2010]

No. 09-2686

SENSIENT TECHNOLOGIES CORPORATION;
SENSIENT FLAVORS, LLC,
Plaintiffs - Appellants,

v.

SENSORYEFFECTS FLAVOR COMPANY, FORMERLY KNOWN AS SENSORYFLAVORS, INC.; PERFORMANCE CHEMICALS & INGREDIENTS CO.; DIEHL FOOD INGREDIENTS, INC.; HIGHLANDER PARTNERS, L.P.,
Defendants - Appellees,

Submitted: March 9, 2010
Filed: July 21, 2010

Appeal from the United States
District Court for the Eastern
District of Missouri.

Before BYE, ARNOLD, and COLLOTON, *Circuit Judges.*

BYE, *Circuit Judge.*

Sensient Flavors appeals the district court's[1] grant of summary judgment in favor of SensoryEffects

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[1] The Honorable E. Richard Webber, United States District Judge for the Eastern District of Missouri.

Flavor Company, formerly known as SensoryFlavors. On appeal, Sensient Flavors contends the district court erred in concluding the SensoryFlavors mark was not "used in commerce" as defined by the Lanham Act, 15 U.S.C. § 1127. Sensient Flavors also asserts the district court erroneously held the SensoryEffects Flavor Company name was not likely to cause confusion to customers. Finally, Sensient Flavors argues the district court erred by holding its mark was "relatively weak" and not entitled to protection under the Missouri dilution statute. We affirm the district court's grant of summary judgment.

I

Sensient Technologies Corporation ("Sensient") sells flavor delivery systems to its customers. Since 2000, Sensient has continuously used the trade name Sensient Flavors, among its other trademarks. The mark appears on communications from Sensient Flavors, including advertising and marketing materials, business cards, letterheads and invoices.

Charles Nicolais, a former employee of Sensient Flavors' sister company Sensient Colors, Inc., left the company to start his own business called Performance Chemicals and Ingredients, LLC ("PCI"). In May 2006, PCI purchased substantially all of the assets of Diehl Food Ingredients, Inc. ("Diehl"). In November 2006, PCI also purchased substantially all of the assets, equipment, trademarks and trade names of SensoryEffects, a business engaged in development, manufacture, and sales of lipid-based flavor delivery systems. The prior owners of SensoryEffects had filed an application for the registration of the SensoryEffects name and graphic in July 2004, which was formally registered by the United States Patent and Trademark Office ("PTO") on July 3, 2007. PCI

further expanded its operations in February 2008 by acquiring Givaudan Flavors, Inc., the dairy flavor systems business within Givaudan Flavors Corporation. As part of the purchase agreement, PCI was not permitted to use the Givaudan Flavors trade name for more than sixty days after the purchase.

After the purchase of Givaudan Flavors, Nicolais undertook the responsibility of choosing a new name and brand for the business. Ultimately, the company decided to use the name SensoryFlavors, Inc., building on the SensoryEffects trademark already in use. As part of this process, SensoryFlavors modified the existing SensoryEffects mark to design the new SensoryFlavors mark. The company's attorneys informed Nicolais the SensoryFlavors name was available for use and registration based on a search of PTO records and corporate names. However, the parties dispute the knowledge Nicolais maintained regarding the existence of the Sensient Flavors name at the time he was choosing the new name. Although he was previously employed by Sensient Colors, Nicolais asserts he never worked for Sensient's flavor group and therefore he was not aware of the Sensient Flavors mark before the lawsuit was filed. Thus, he contends the Sensient Flavors name did not cross his mind while choosing the SensoryFlavors name. Sensient Flavors disputes Nicolais's assertion, noting that a document drafted by one of PCI's employees prior to the purchase of the Givaudan business unit lists Sensient Flavors as one of SensoryFlavors' primary competitors.

On the day the Givaudan purchase was finalized, SensoryFlavors sent an announcement to contacts in the food ingredients industry featuring the SensoryFlavors mark. SensoryFlavors and Givaudan also sent

a media release announcing the acquisition, which included the SensoryFlavors mark. SensoryFlavors asserts it only gave two presentations to customers after acquiring Givaudan Flavors on February 13, 2008, both of which occurred prior to the instant suit. Moreover, SensoryFlavors contends no sales were made under the new mark, no packages were sent bearing labels with the new mark, and no goods were transported under the new mark. SensoryFlavors also constructed the website www.sensoryflavors.com, although it states the website was "under construction" at all times and was immediately deactivated when Sensient filed the instant suit.

Shortly after Sensient filed the instant suit on March 10, 2008, the district court entered a temporary restraining order against the use of the SensoryFlavors name. SensoryFlavors subsequently changed its name to SensoryEffects Flavor Company, d/b/a SensoryEffects Flavor Systems ("SensoryEffects"), building on the prior SensoryEffects name already registered with the PTO. The company has continued to sell products and operate under this name since the change.

Sensient amended its complaint to include the new SensoryEffects name. According to Sensient, the two companies are direct competitors because they both sell flavor delivery systems to food and food ingredient companies, although their product offerings differ slightly. The initial contact with customers arises primarily through telephone calls, which leads to appointments and meetings where the company is able to present its products and services. In this sense, the ultimate sale of products is the result of an ongoing collaborative process. Sensient's complaint contained six counts, including federal trademark

infringement, unfair competition, false advertising, common law trademark infringement and unfair competition, and trademark infringement and dilution under Missouri law.

The district court granted summary judgment on all counts in favor of SensoryEffects and dismissed the case. The court held a permanent injunction on the SensoryFlavors mark was not warranted because the mark had not been "used in commerce." The court also held the new SensoryEffects name was not likely to cause confusion to customers and Sensient was not entitled to protection under Missouri's trademark dilution statute. Sensient timely appeals the district court's order.

I

The district court's grant of summary judgment is reviewed de novo, and we apply the same standards as the district court. *Frosty Treats Inc. v. Sony Computer Ent. Am. Inc.*, 426 F.3d 1001, 1003 (8th Cir. 2005). Summary judgment is appropriate "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). A fact is material when it might affect the outcome of the suit under governing law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

A. Whether the SensoryFlavors Name Was Used in Commerce

First, the parties dispute whether section 45 of the Lanham Act applies to infringement cases. The Lanham Act imposes civil liability on "any person who. . . without the consent of the registrant . . . *use[s]*

in commerce any reproduction . . . or colorable imitation of a registered mark." 15 U.S.C. § 1114(1)(a) (emphasis added). Section 43(a) of the Act also imposes liability for "[a]ny person who, on or in connection with any goods or services, or any container for goods, *uses in commerce* any word, term, name, symbol, or device, or any combination thereof . . . which . . . is likely to cause confusion . . . as to the origin, sponsorship, or approval of goods, services, or commercial activities." 15 U.S.C. § 1125(a)(1)(A) (emphasis added). Under section 45 of the Lanham Act, "use in commerce" is defined as follows:

> The term "use in commerce" means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For purposes of this chapter, a mark shall be deemed to be in use in commerce—
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> (1) on goods when—
>
> (A) it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sale, and
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> (B) the goods are sold or transported in commerce, and
>
> (2) on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce, or the services are rendered in more than one State or in the United States and a foreign country and the person rendering the services is engaged in commerce in connection with the services.

15 U.S.C. § 1127.

In its brief, Sensient argues the press release, announcement, and two presentations provided by SensoryFlavors, in addition to its website, were sufficient to establish a question of fact regarding "use in commerce" of the mark under section 45. At oral argument, however, Sensient contradicted its argument by asserting for the first time that section 45 does not apply in infringement cases, and rather is limited in its application to the registration of trademarks. Sensient bases its contention largely on dicta provided by the Second Circuit Court of Appeals in *Rescuecom Corp. v. Google, Inc.*, 562 F.3d 123, 128-29 (2d Cir. 2009), which involved an infringement dispute over search terms used by a popular Internet search engine. *Rescuecom* held Google's display, offer, and sale of the plaintiff's mark to advertising customers was sufficiently alleged as "use in commerce" to avoid dismissal under Rule 12(b)(6) of the Federal Rules of Civil Procedure. 562 F.3d at 130-31.

After reaching its conclusion, the *Rescuecom* court attached a lengthy appendix analyzing whether section 45 applies in the infringement context. The court first noted the statute begins with a "guarded and tentative" limitation that the definitions provided under the statute apply "unless the contrary is plainly apparent from the context." *Id.* at 132 (quoting 15 U.S.C. § 1127). The court then analyzed the 1988 amendment to the statute providing that "use in commerce" means the "bona fide use of a mark in the ordinary course of trade." *Id.* at 132-33. According to the court, the amendment made clear that section 45's definition of "use in commerce" applies only to the registration of marks, not to infringement cases, because it is "inconceivable that the statute could have intended to exempt infringers from liability because they acted in bad faith." *Id.* The court

believed this reading of the statute was confirmed by a Congressional report accompanying the 1988 amendment, which "explained that the revised use in commerce definition is intended to apply to all aspects of the trademark registration process, and that clearly, however, use of any type will continue to be considered in an infringement action." *Id.* at 138 (citing S. Rep. 100-515 100th Cong. at 45 (1988)) (internal quotation marks omitted).

Pursuant to the amended statutory language, *Rescuecom* envisioned two possible interpretations of section 45 in infringement cases. The first interpretation bars application of the entire definition of "use in commerce" in the infringement context as a result of the new language in the first sentence relating to "bona fide use," as discussed above. *Id.* at 140. The second, and preferable interpretation would continue to apply the remainder of the "use in commerce" definition relating to goods and services in infringement cases, and simply disregard the "bona fide use" language in such cases, which would be reserved for application only in the registration context.[2] *Id.* Ultimately, the court noted its discussion was dicta that did not affect the result in the case, and it urged Congress to further clarify the statute. *Id.* at 140-41.

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[2] The *Rescuecom* court believed the second approach was preferable in light of prior Second Circuit case law that applied the second sentence of the "use in commerce" definition relating to goods and services to infringement cases. While we assume without holding the second sentence of the definition similarly applies in this case, as discussed below, we note this circuit has also previously interpreted section 45 as requiring "use in commerce" as a prerequisite for infringement liability. *Daimler-Chrysler AG v. Bloom*, 315 F.3d 932, 936 (8th Cir. 2003).

In this case, we express no view as to whether section 45's "use in commerce" definition continues to properly apply in infringement cases. *Compare* 4 McCarthy on Trademarks and Unfair Competition § 23:11.50 (4th ed.) ("The Lanham Act § 45 narrowing definition of what constitutes 'use in commerce' is just a relaxed remnant of trademark law's once-hyper-technical 'affixation' requirement. This statutory anachronism certainly was never intended to limit the scope of 'uses' that would constitute infringement") *with* Margreth Barrett, *Trademarks and Digital Technologies: "Use" on the Net*, 13 No. 11 J. Internet L. 1, 9 (2010) ("[T]he Lanham Act's legislative history makes it clear that Congress intended this statutory definition [of section 45] to apply in the infringement context and to carry forward the 1905/1920 Acts' general 'affixation or other close association' requirement.'").

Although Sensient cites the *Rescuecom* case in its opening brief, it confines its argument to whether SensoryFlavors' limited uses of the mark meet the definition of "use in commerce" under section 45. Prior to oral argument, Sensient failed to develop any argument that section 45 did not apply to an infringement case such as the instant matter. *See Cubillos v. Holder*, 565 F.3d 1054, 1058 n.7 (8th Cir. 2009) (citation omitted) (deeming an argument waived where the petitioner referenced an argument in his opening brief, but failed to develop the argument). To the contrary, Sensient explicitly concedes in its reply brief that the statute applies to infringement cases. *See* Appellant's Reply Brief at 1 ("The parties agree that the Lanham Act requires that a trademark be used in commerce before a finding of infringement can be made."). Under these circumstances, we assume without holding that section 45 applies to infringe-

ment cases and we will proceed to determine whether SensoryFlavors' use of its mark meets the definition of "use in commerce." *See Flowers v. Norris*, 585 F.3d 413, 416 n. 2 (8th Cir. 2009) (limiting review under a statute based on petitioner's concessions in his reply brief).

Applying the language of the statute, SensoryFlavors' goods must have been "sold or transported in commerce," among other requirements. 15 U.S.C. § 1127. As noted above, Sensient attempts to satisfy this requirement by pointing to SensoryFlavors' efforts to advertise and market its goods through two customer presentations, a press release, an announcement, and a website.

Sensient's argument conflates the distinction between goods and services provided under section 45. *Rescuecom* and the other cases Sensient relies upon involved an alleged infringer's services, not goods, and therefore the courts applied the separate definition provided above for determining whether the services were "used in commerce." *Rescuecom*, 562 F.3d at 129 ("According to the Complaint, Google uses and sells *Rescuecom's* mark 'in the sale of Google's advertising *services* rendered in commerce.'") (emphasis added). Even in cases applying the services definition, many courts have held mere advertising is not enough to constitute "use in commerce" because "a mark is used in commerce only if it accompanies services rendered in commerce." *Int'l Bancorp, LLC v. Societe des Bains de Mer et du Cercle des Estrangers a Monaco*, 329 F.3d 359, 364 (4th Cir. 2003).

Sensient fails to show evidence of any sale or transport of any goods bearing the SensoryFlavors mark. While Sensient suggests Nicolais did not know

for certain that no sales resulted from the two presentations, this assertion is weak at best because the two companies which received the presentations did not become customers of SensoryEffects subsequent to the name change. *Binkley v. Entergy Operations, Inc.*, 602 F.3d 928, 931 (8th Cir. 2010) ("In order to survive a motion for summary judgment, the non-moving party must be able to show sufficient probative evidence that would permit a finding in his favor on more than mere speculation, conjecture, or fantasy") (citation omitted). Because there is no evidence demonstrating any sale or transport of goods under the SensoryFlavors name, Sensient fails to establish a triable issue of fact as to whether the goods were "used in commerce," and we affirm the district court's grant of summary judgment on the SensoryFlavors mark.

B. Whether the SensoryEffects Name is Likely to Cause Confusion

Sensient next challenges the district court's grant of summary judgment on the SensoryEffects Flavor Systems mark. The district court held the SensoryEffects mark was not likely to cause confusion to customers.[3]

The Eighth Circuit applies a six-factor test to determine whether there is a likelihood of confusion, no part of which is dispositive standing alone:

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[3] Sensient must show a likelihood of confusion as part of its Lanham Act claims (Count I, Count II, and Count III), *Everest Capital Ltd. v. Everest Funds Mgmt., L.L.C.*, 393 F.3d 755, 759 (8th Cir. 2005), its common law trademark infringement and unfair competition claim, and its Missouri statutory trademark infringement claim (Counts IV and V). *WSM, Inc. v. Hilton*, 724 F.2d 1320, 1331 (8th Cir. 1984); R.S.Mo. 417.056(1).

> (1) the strength of the owner's mark; (2) the similarity between the owner's mark and the alleged infringer's mark; (3) the degree to which the products compete with each other; (4) the alleged infringer's intent to 'pass off' its goods as those of the trademark owner; (5) incidents of actual confusion; and, (6) the type of product, its cost, and conditions of purchase.

Frosty Treats, 426 F.3d at 1008. We do not apply any mathematical formula in analyzing these factors; "rather, we use them at the summary judgment stage as a guide to determine whether a reasonable jury could find a likelihood of confusion." *Id.* We address each of these factors separately.

1. The Strength of the Owner's Mark

In analyzing the first factor, we have recognized a "strong and distinctive trademark is entitled to greater protection than a weak or commonplace one." *Id.* (citing *SquirtCo. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980)). Marks may be characterized in four categories: generic, descriptive, suggestive, or arbitrary or fanciful. *Id.* at 1004. On this spectrum, an arbitrary or fanciful mark is entitled to the highest level of protection, while a generic mark is afforded no trademark protection. *Duluth News-Tribune, a Div. of Nw. Publ'n, Inc. v. Mesabi Pub. Co.*, 84 F.3d 1093, 1096 (8th Cir. 1996).

In this case, the district court determined Sensient was a fanciful word coined to function as a trademark for the company. As a result, the court acknowledged Sensient's mark was entitled to the broadest protection. However, the court also concluded Sensient could not claim an exclusive right to the "Flavors" portion of the Sensient Flavors name because "Flavors"

is a generic term. Accordingly, the court determined only the Sensient name was entitled to protection. On appeal, Sensient agrees "Flavors" alone is not protectable, but it argues the Sensient Flavors mark must be construed as a whole. SensoryEffects asserts courts have routinely refused to protect generic portions of a trademark.

In making its determination, the district court noted SensoryEffects did not object to its finding that the Sensient name was fanciful. Generally, we do not consider arguments raised for the first time on appeal and a party may not assert arguments not presented to the district court. *Cole v. Intern. Union, United Auto., Aerospace & Agr. Implement Workers of Am.*, 533 F.3d 932, 936 (8th Cir. 2008). In light of SensoryEffects' concession before the district court on this point, we need not consider its arguments on appeal challenging the strength of Sensient Flavors' name.

Similarly, Sensient's argument questioning whether the district court properly analyzed its mark is largely irrelevant because the court ultimately found in favor of Sensient on the first factor. More importantly, the district court proceeded to compare the composite Sensient Flavors mark to the SensoryEffects mark later in its analysis, as demonstrated below. *See, e.g., Sensient Tech. Corp. v. SensoryEffects Flavor Co.*, 636 F.Supp.2d 891, 900 (E.D. Mo. 2009) ("SensoryEffects Flavor Systems sounds different than Sensient Flavors."). Thus, the district court did not err in concluding the first factor favors Sensient.

2. The Similarity of the Owner's Mark and the Alleged Infringer's Mark

Under the second step, we must consider the similarity between the Sensient Flavors and Sensory-

Effects Flavor Systems marks. *Frosty Treats*, 426 F.3d at 1008. "Rather than consider the similarities between the component parts of the marks, we must evaluate the impression that each mark in its entirety is likely to have on a purchaser exercising the attention usually given by purchasers of such products." *Duluth News-Tribune*, 84 F.3d at 1097. "The use of identical, even dominant, words in common does not automatically mean that two marks are similar." *Gen. Mills, Inc. v. Kellogg Co.*, 824 F.2d 622, 627 (8th Cir. 1987). "We may consider the marks' visual, aural, and definitional attributes and compare the trade dress of the products in determining whether the total effect conveyed by the two marks is confusingly similar." *Luigino's, Inc. v. Stouffer Corp.*, 170 F.3d 827, 830 (8th Cir. 1999) (citing *Gen. Mills*, 824 F.2d at 627).

The district court analyzed the evidence submitted by the parties related to the sophistication of the customer base and the collaborative process by which the products in the industry are sold. As a result of the sophisticated customers and the long, interactive purchasing process, the court determined it was highly unlikely buyers would confuse the marks, and thus the likelihood of confusion was diminished. The court also noted there was a distinct auditory difference between the marks.

The court rejected Sensient's "initial interest confusion" argument, in which it contended Sensory-Effects was able to use Sensient's name to gain access to customers and begin the collaborative process leading to sales, even if the customer's initial confusion over the two companies' names dissipates during the process. The court noted this theory has never been adopted by the Eighth Circuit, and even if it was,

Sensient would still lose because it failed to show any evidence of customers experiencing such a phenomenon. Not only did SensoryEffects Flavor Systems have a distinct auditory difference from Sensient Flavors, the court held, but Sensient failed to introduce evidence showing SensoryEffects attempted to lure away Sensient's customer base by passing off its products as Sensient's.

On appeal, Sensient contends the district court correctly recited the "sight, sound, and meaning" test to determine the similarity between the marks, *see id.*, but it erroneously considered the purchasing conditions and evidence of actual confusion in assessing the similarity of the marks. Sensient asserts the court must independently determine whether the marks appear and sound similar and evoke a similar meaning, and then separately consider whether the purchasing conditions make those similarities more or less critical. Sensient also urges this court to formally adopt the "initial interest confusion" doctrine.

We first consider the sight, sound, and meaning argument. We have continually held the use of identical dominant words does not automatically equate to similarity between marks. *See Frosty Treats, Inc.*, 426 F.3d at 1008-09 (distinguishing the words "frosty treats" in the defendant's product from the plaintiff's "Frosty Treats" mark where the mark and trade dress were visually distinct); *Luigino's*, 170 F.3d at 830-31 (concluding "Lean Cuisine" and "Lean 'N Tasty" are not confusingly similar); *Duluth News-Tribune*, 84 F.3d at 1097 (determining "Duluth News-Tribune" and "Saturday Daily News & Tribune" were distinct, despite the aural similarity between the two marks); *Gen. Mills*, 824 F.2d at 627 (holding the district court did not err in finding no confusing similarity between

"Oatmeal Raisin Crisp" and "Apple Raisin Crisp" because the marks were different enough to avoid customer confusion). In this case, while each mark uses the word "flavors" and begins with the "sens" prefix, these features are components of longer product names with different auditory and visual depictions. *See Everest Capital Ltd.*, 393 F.3d at 761 ("Though each mark uses the dominant word 'Everest,' that word is part of longer product names that employ different fonts and graphics.").

First, there are significant visual differences between the marks. Sensient's mark consists of blue capital lettering with a yellow wave slightly above the lettering. The SensoryEffects mark, on the other hand, utilizes bold black lettering in different typeface on two lines, with a multicolor swirl symbol to the left of the first line. Based on these visual distinctions, the marks are sufficiently differentiated to prevent customer confusion. *See Luigino's*, 170 F.3d at 231 ("The use of different colors and typefaces, as well as the prominent display of the house marks convey perceptible distinctions between the products.").

In its reply brief, Sensient contends the visual appearance of the marks is irrelevant because the point of contact between the companies and the customers generally occurs via telephone, and thus the auditory similarities should be given priority. Sensient's suggestion to place particular emphasis on the verbal effect of the marks is not without merit. *See* 4 McCarthy § 23:22 (4th ed.) ("Similarity of sound may be particularly important when the goods are of the type frequently purchased by verbal order."). However, we agree with the district court that the composite marks maintain a distinct auditory difference. *See Duluth News-Tribune*, 84 F.3d at 1097

("Although the [Duluth News-Tribune and Saturday Daily News & Tribune] marks are aurally similar, when pronounced in their entirety the word 'Saturday' and the ampersand in defendants' paper make the two distinguishable.").

While Sensient correctly notes the purchasing conditions, confusion among customers, and similarity between the marks are three separate factors considered by the court in its analysis, our precedent is clear that we evaluate the impression the entire mark is likely to have "on a purchaser exercising the attention usually given by purchasers of such products." *Id. See also Luigino's*, 170 F.3d at 830-31 (analyzing whether an ordinary consumer would be likely to be confused between the two marks). The parties agree the ordinary customer of their products is sophisticated and any particular sale is the result of a long, collaborative process. Taking into consideration the sophistication of the customers and the nature of the purchasing process, the district court correctly determined the ordinary consumer would not find the marks confusingly similar under the "sight, sound, and meaning" test.

Sensient further argues the district court erred in its application of the "initial interest confusion" doctrine. According to Sensient, most courts now recognize the doctrine, which arises when confusion creates an initial customer interest, even though no actual sale may be finally completed due to the confusion. 4 McCarthy § 23:6 (4th ed.). Sensient contends the doctrine "may be applied to a purchasing process that is drawn out over a period of time," such as the collaborative buying process at issue here. *Id.* However, those courts acknowledging the doctrine recognize that "[e]ven if the marks are

almost identical, initial interest confusion is not assumed and must be proven by the evidence." *Id.*

We decline Sensient's invitation to adopt the "initial interest confusion" doctrine in this case because, even if the doctrine applied generally in this circuit, it would not apply in this case. Under the doctrine, courts look to factors such as product relatedness and the level of care exercised by customers to determine whether initial interest confusion exists. *Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 269 F.3d 270, 296 (3d Cir. 2001). Here, although the products are similar, the parties agree the customers are sophisticated and exercise a relatively high degree of care in making their purchasing decisions. This sophistication makes it less likely customers will experience initial confusion, ultimately resulting in a benefit to the alleged infringer. *Id.* at 296-97. As a result, the district court correctly rejected the application of the doctrine under these facts. In sum, the district court did not err in concluding the second factor weighs in favor of SensoryEffects.

3. The Degree of Competition Between the Products

The third factor analyzes the degree of competition between products. *Frosty Treats*, 426 F.3d at 1008. If the two companies' products are closely related, confusion among customers is more likely. *Davis v. Walt Disney Co.*, 430 F.3d 901, 904 (8th Cir. 2005). The district court determined the companies' product markets differ slightly, but it ultimately held this factor weighed in favor of Sensient because the parties are direct competitors selling flavor delivery systems to food and food ingredient companies. Neither party disputes this holding on appeal, and accordingly

we conclude the district court was correct in its determination under the third factor, which favors Sensient.

4. The Alleged Infringer's Intent to Pass Off its Goods as the Trademark Owner's

The fourth factor analyzes whether the alleged infringer intended to pass off its goods as the trademark owner's goods. *Frosty Treats*, 426 F.3d at 1008. While proof of bad intent is not required for success in an infringement or unfair competition claim, "the absence of such intent is a factor to be considered." *Id.* "Knowledge of another's product and an intent to compete with that product is not . . . equivalent to an intent by a new entrant to a market to mislead and to cause consumer confusion." *Luigino's*, 170 F.3d at 831.

In considering this factor, the district court first acknowledged the temporary restraining order it previously entered against SensoryFlavors, in which it noted Nicolais's selection of the SensoryFlavors name after he was previously employed by Sensient created a strong inference of his intent to confuse the public. However, the court concluded the evidence produced after additional discovery did not support this inference because Nicolais worked for a separate division while he was employed by Sensient, and even if he maintained knowledge of the Sensient Flavors name, his knowledge did not equate with an intent to mislead. Rather, the court determined SensoryEffects selected its name in order to capitalize its already-established mark and the goodwill established under the Givaudan Flavors name.

Sensient asserts the court ignored evidence demonstrating SensoryEffects was aware Sensient was a direct competitor prior to purchasing Givaudan Flavors and it intentionally selected similar marks. Instead,

Sensient argues the court relied on the self-serving affidavit of Nicolais, who claimed he was unaware of the Sensient Flavors mark. Sensient also argues SensoryEffects was obligated to move further away from the Sensient Flavors name after the temporary restraining order was entered, such that inserting "Effects" was insufficient to meet its obligation.

In determining whether SensoryEffects intended to pass off its goods as those of Sensient's, we believe the analysis in *Luigino's* is instructive. In *Luigino's*, the owners of the "Lean Cuisine" mark alleged that Luigino's intentionally adopted a similar mark, "Lean 'N Tasty," to capitalize on the goodwill established under the "Lean Cuisine" mark. *Id.* The evidence before the court demonstrated that Luigino's rejected a consultant's advice to avoid the "Lean 'N Tasty" mark and it believed the low-fat "Lean 'N Tasty" entrees might be comparable to "Lean Cuisine" entrees. *Id.* Despite this evidence, this court determined there was no evidence Luigino's intended to capitalize on the strong "Lean Cuisine" mark. *Id.* The court explained that Luigino's chose the name "Lean 'N Tasty" because it wanted to avoid the word "light," it believed the word "low-fat" was overused, and because it did not agree with the consultant's recommendation to avoid the word "lean." *Id.* According to the court, the reference to "Lean Cuisine" only evinced an intent to compete with the product, not an intent to infringe on the mark. *Id.* As a result, the court held there was no genuine issue of material fact regarding predatory intent. *Id.*

Similarly, in *General Mills, Inc.*, this court declined to find predatory intent on the part of the owner of the "Oatmeal Raisin Crisp" mark, despite the owner's intent to compete with the "Apple Raisin Crisp" mark.

824 F.2d at 627. "Oatmeal Raisin Crisp" went so far as to send promotional fliers to distributors encouraging them to replace "Apple Raisin Crisp" with its product. *Id.* However, the court again concluded that knowledge of another's product and an intent to compete with that product does not equate to predatory intent. *Id.*

We believe the intent alleged by Sensient in this case is similar to the allegations in *Luigino's* and *General Mills, Inc.* While the parties strongly dispute the extent of Nicolais's knowledge of the Sensient Flavors name, our precedent demonstrates any knowledge maintained by Nicolais is not dispositive of the inquiry because knowledge of another's product and an intent to compete does not correspond with an intent to mislead. *Id.* Sensient alleges the inference to be drawn from the evidence is that Nicolais had an intent to confuse customers by using a name similar to Sensient Flavors; however, there is no support in the record for this assertion other than speculation.

Rather, the facts of this case are similar to *Duluth News-Tribune*, where the court recognized the allegedly infringing name "Saturday Daily News & Tribune" was a logical merger of the names "Daily News" and "Daily Tribune." 84 F.3d at 1097. Here, the prior owners of SensoryEffects filed an application for registration of the SensoryEffects name and graphic in July 2004, which was formally registered by the PTO on July 3, 2007. After PCI acquired Givaudan Flavors, it was not permitted to use the Givaudan Flavors name for more than sixty days after the purchase. As a result, the company decided to combine the SensoryEffects and Givaudan Flavors names to form SensoryFlavors. After this lawsuit was filed, the company changed its name to SensoryEffects Flavor

Systems, incorporating the full SensoryEffects name that was already registered with the PTO. Under these circumstances, the district court was not incorrect in concluding the SensoryEffects Flavor Systems name was a logical combination of the previously-established SensoryEffects and Givaudan Flavors names. After a careful review of the record, we conclude no reasonable jury could find in favor of Sensient on the fourth factor.

5. Incidents of Actual Confusion

Under the fifth factor, we examine the incidents of actual confusion. *Frosty Treats*, 426 F.3d at 1008. Although such incidents are proof of the likelihood of confusion, the plaintiff is not required to bring forth incidents of actual confusion to succeed in an infringement case. *SquirtCo.*, 628 F.2d at 1091. In analyzing this factor, weight is given to "the number and extent of instances of actual confusion." *Duluth News-Tribune*, 84 F.3d at 1098.

The district court held Sensient failed to produce any evidence of actual confusion, which it noted was telling since the SensoryEffects name had been in use at the time for approximately one year. As a result, the court concluded the fifth factor weighed in favor of SensoryEffects.

Sensient contends it presented evidence detailing some customers' misguided beliefs in phone calls and correspondence where the customers thought SensoryFlavors was, in one way or another, Sensient Flavors. SensoryEffects responds Kenneth Iwanusa, National Sales Manager for Sensient Flavors, testified he knew of no lost sales, no injury to Sensient's reputation, and no incidents in which SensoryEffects benefitted from any confusion between the two companies.

As an initial matter, it is questionable whether the statements contained in Sensient's interrogatory responses purportedly establishing the customers' confusion are admissible. *See id.* ("In evaluating the evidence at the summary judgment stage, we consider only those responses that are supported by admissible evidence."). We need not answer this question, however, because assuming the statements are admissible, it is clear "even several isolated incidents of actual confusion that occur initially upon the creation of a potentially confusing mark are insufficient to establish a genuine issue of material fact as to the likelihood of confusion." *Id.* Instead, we "look to whether an appreciable number of ordinary purchasers are likely to be so misled." *Id.* at 1099. This is not the case here, because the incidents described by Sensient show only negligible confusion after SensoryFlavors was completing its transition with Givaudan Flavors, which is insufficient to meet the burden under the fifth factor.

More importantly, the district court correctly noted the alleged incidents of confusion all related to the SensoryFlavors name, not the SensoryEffects name at issue here. Sensient concedes this fact on appeal, but notes there still may be a likelihood of confusion. Sensient's suggestion is without any support in the record, and as a result, no reasonable factfinder could determine the fifth factor favors Sensient. Therefore, the district court did not err in concluding the fifth factor favors SensoryEffects.

6. The Type of Product, Its Cost, and Conditions of Purchase

Finally, the sixth factor examines the conditions of purchase and the degree of care expected of customers. *Frosty Treats*, 426 F.3d at 1008. "In considering

this factor, we must stand in the shoes of the ordinary purchaser, buying under the normally prevalent conditions of the market and giving the attention such purchasers usually give in buying that class of goods." *Luigino's*, 170 F.3d at 831. This factor is "more important in confusion-of-source cases where the degree of care that the purchaser exercises in purchasing a product can eliminate the confusion that might otherwise exist." *Frosty Treats, Inc.*, 426 F.3d at 1010.

In this case, the district court concluded it was well-established the parties sell their products to sophisticated customers after a collaborative process. As a result of this process, the court held the likelihood of confusion was diminished, and this factor favored SensoryEffects. The parties do not dispute the conditions of purchase on appeal, as each concedes they are competitors with sophisticated customers. As noted in the analysis above, this factor is important in this case because it tends to mitigate any potential confusion. *Id.* As a result of the parties' agreement, this factor could not form the basis for a verdict in favor of Sensient, and the district court did not err in concluding this factor weighs in favor of SensoryEffects.

Appropriateness of Summary Judgment

Our evaluation of the foregoing factors leads us to conclude no reasonable jury could find a likelihood of confusion between Sensient's mark and the Sensory-Effects Flavor Company mark. "As courts have repeatedly noted, the 'core element' of trademark infringement law is whether an alleged trademark infringer's use of a mark creates a likelihood that the consuming public will be confused as to who makes what product." *Davis*, 430 F.3d at 905 (citation

and internal quotation marks omitted). Under the circumstances, SensoryEffects's use of its mark does not create a likelihood that the sophisticated customer base will be confused as to who makes what product. As a result, we affirm the district court's grant of summary judgment.

C. Missouri's Anti-Dilution Statute

The district court also granted summary judgment in favor of SensoryEffects on Count Six of Sensient's complaint alleging trademark dilution under Missouri law. The statute provides for injunctive relief where there exists a "[l]ikelihood of injury to business reputation or of dilution of the distinctive quality of a mark . . . notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services." Mo. Rev. Stat. § 417.061(1). "The gravamen of a dilution complaint is that the defendant's continuing use of a mark similar to the plaintiff's mark will inexorably have an adverse effect upon the value of the plaintiff's mark, and that the plaintiff's mark will eventually be deprived of all distinctiveness." *Frosty Treats, Inc.*, 426 F.3d at 1011 (citation omitted). To prevail under the statute, Sensient "must show its mark or trademark was valid at common law, that its mark is distinctive, and that defendants' use of its name created a likelihood of dilution of the distinctive quality of plaintiff's mark." *Cmty. of Christ Copyright Corp. v. Devon Park Restoration*, 683 F.Supp.2d 1006, 1017 (W.D. Mo. 2010).

The district court began its analysis by noting, as discussed above, Sensient is a fanciful mark. The court proceeded to consider evidence of third party usage of similar marks on similar goods. According to the court, SensoryEffects introduced evidence showing

another competitor in the market does business under the name "Sensus Flavors," while another corporation uses the name "Symrise." The court concluded, while the Sensient mark is fanciful, these third party uses demonstrate the mark is relatively weak. The court determined Sensient failed to introduce evidence showing its mark is distinctive, and as a result the mark was not entitled to protection under the dilution statute.

Sensient asserts it was not required to introduce evidence showing its mark was distinctive because its mark was already established as fanciful. Sensient points to its open and continuous use of the mark since 2000 on its business cards, advertising and marketing materials, and website. Sensient also contends the court erred because nothing in the statute or case law requires courts to consider third party usage as part of the dilution determination, especially where the mark at issue is fanciful. Even if this inquiry were required, Sensient argues, the court's finding its mark was "relatively weak" was not supported by the evidence in the record.

As an initial matter, we acknowledge this case is distinguishable from *Steak n Shake Co. v. Burger King Corp.*, 323 F.Supp.2d 983 (E.D. Mo. 2004), which the district court cited in support for its holding. In *Steak n Shake Co.*, the "steakburger" mark was a generic term not entitled to protection, in contrast to the "Sensient" mark, which the district court already determined was a strong mark, as we also concluded above. 323 F.Supp.2d at 994-95.

Regardless of this distinction, Sensient is unable to prevail on its trademark dilution claim. Inherent in a dilution action under Missouri law is a showing of similarity between the marks, which results in the

dilution. *See Frosty Treats, Inc.*, 426 F.3d at 1011 ("Plaintiffs' Missouri-law dilution claim fails because the marks and trade dress at issue are so dissimilar that it would be clearly erroneous to hold that there was a likelihood of dilution."). *See also Luigino's, Inc.*, 170 F.3d at 832 ("To support an action for dilution by blurring, the marks must at least be similar enough that a significant segment of the target group of customers sees the two marks as essentially the same."). As discussed above, the Sensient Flavors and SensoryEffects Flavor Systems marks are not sufficiently similar under the "sight, sound, and meaning" test. While the "sight, sound, and meaning" test determined similarity for purposes of assessing whether a likelihood of confusion existed, the same dissimilarity prevents a finding of dilution under Missouri law. *See Luigino's*, 170 F.3d at 832-33 (holding the marks were dissimilar under the "sight, sound, and meaning" test such that dilution did not occur because the customers did not see the marks as essentially the same); *Astra Pharm. Prod., Inc. v. Beckman Instruments, Inc.*, 718 F.2d 1201, 1210 (1st Cir. 1983) ("We have already noted that, while the Beckman analyzer and Astra products may be in the same broad health care field, there is sufficient dissimilarity to prevent confusion. For the same reasons, there is sufficient dissimilarity to prevent dilution."). As a result, Sensient's dilution claim under Missouri law fails because the marks are not sufficiently similar, and therefore there is no likelihood of dilution between the marks.

For the foregoing reasons, we affirm the judgment of the district court.

COLLOTON, Circuit Judge, concurring in the judgment in part and dissenting in part.

Applying the multiple factors identified in circuit precedent as bearing on the likelihood of confusion in a trademark infringement or unfair competition case, *see Frosty Treats, Inc. v. Sony Computer Entm't Am., Inc.* , 426 F.3d 1001, 1008 (8th Cir. 2005), I conclude that there are genuine issues of material fact that preclude summary judgment on that ground. Because the district court dismissed claims advanced by Sensient Technologies Corporation ("Sensient") under the Lanham Act (Counts 1-3), the Missouri common law (Count 4), and Mo. Rev. Stat. § 417.056(1) (Count 5), based on its conclusion that there is no likelihood of confusion as a matter of law, I would reverse the district court's judgment in part and remand for further proceedings.[4]

I agree with the court that a reasonable jury could find that Sensient has a fanciful trademark in the name Sensient Flavors that is entitled to the highest level of protection, and that Sensient Flavors and SensoryEffects Flavor Company are direct competitors who sell flavor delivery systems to food companies. I disagree, however, that no reasonable jury could find that other factors in the analysis favor Sensient.

On the question whether the alleged infringer intends to pass off its good as the trademark owner's goods, the circumstances of this case support a

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[4] I concur in the judgment affirming the district court's decision on the claims relating to the SensoryFlavors mark. *Ante*, at 5-9. I also concur in the judgment affirming the dismissal of Sensient's claim under the Missouri anti-dilution statute, Mo. Rev. Stat. § 417.061(1), because this is a dispute between competitors who sell similar goods. *See Luigino's, Inc. v. Stouffer Corp.*, 170 F.3d 827, 833 (8th Cir. 1999); *Viacom, Inc. v. Ingram Enters., Inc.*, 141 F.3d 886, 891 n.9 (8th Cir. 1998); 4 J. McCarthy, *Trademarks and Unfair Competition* § 24:74 (4th ed. 2010).

reasonable inference in favor of Sensient. The president of the alleged infringer, Charles Nicolais, is a former president of Sensient Colors, Inc., a sister company of Sensient Flavors. Shortly after Nicolais moved from Sensient to the defendant, the new company selected the name "SensoryFlavors" to compete with "Sensient Flavors." This led the district court to find a "strong inference of Defendant's intent to confuse the public." R. Doc. 21, at 7. After the district court preliminarily enjoined the defendant from using the name "SensoryFlavors," the company retreated to the name "SensientEffects Flavor Company," rejecting the suggestion of a company vice president to omit the word "Flavor" from the official name and parent logo. Appellants' App. 275-76. Nicolais denied in an affidavit that he was aware that the brand or trademark "Sensient Flavors" even existed, but Sensient discovered from the defendant an internal document dated February 2008 that listed "Sensient Flavors" as a "primary competitor" of the newly-named "SensoryFlavors, Inc." *Id.* at 270. The credibility of Mr. Nicolais is obviously a disputed issue for a jury.

Intent is proved by circumstantial evidence, and from these circumstances, a reasonable jury could find that the defendant, having been rebuffed in its efforts to use the name SensoryFlavors to generate confusion with Sensient Flavors, still intended to confuse the public by shifting to the name of SensientEffects Flavor Company. To be sure, we have said that "[k]nowledge of another's product and an intent to compete with that product" is not the same as intent to cause consumer confusion, *Gen. Mills, Inc. v. Kellogg Co.*, 824 F.2d 622, 627 (8th Cir. 1987), but this is not a garden-variety "intent to compete" case. Sensient's contention is that the defendant knew of the "Sensient Flavors" mark and intentionally

selected a very similar mark—first, SensoryFlavors and then SensientEffects Flavor Company—in order to benefit from confusion that would arise from the similarity of names. Particularly given the initial effort by a former Sensient executive to use the name SensoryFlavors, a jury reasonably could infer that the defendant's choice of the fallback name was still motivated in part by an intent to confuse consumers. *See Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 927 (10th Cir. 1986) ("[D]eliberate adoption of a similar mark may lead to an inference of intent to pass off goods as those of another," and "[t]he inference of intent is especially strong when the parties have had a prior relationship."). The permissible inferences about the defendant's intent weigh strongly against summary judgment. *See Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 465 (7th Cir. 2000) ("The fact that one actively pursues an objective greatly increases the chances that the objective will be achieved," and "[f]or this reason, a defendant's intent is an important factor, and can be weighed more heavily than other factors.") (internal quotations and citations omitted); *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 258 (2d Cir. 1987) ("Intentional copying gives rise to a presumption of a likelihood of confusion.").

On the question of similarity of the owner's mark and the alleged infringer's mark, a reasonable jury also could find in favor of Sensient Flavors. The evidence shows that the products at issue are marketed by telephone, so it is the similarity of sound (not trade dress or logo) that is relevant. Sensient argues that SensoryEffects is likely to cause "initial interest confusion" when it uses a similar-sounding name to market its products to customers in "cold" telephone calls. The doctrine of "initial interest confusion"—

"infringement based upon confusion that creates initial customer interest, even though no actual sale is finally completed as a result of the confusion"—is widely accepted, *see* 4 J. McCarthy, *Trademarks and Unfair Competition* § 23:6 (4th ed. 2010), and SensoryEffects offers no convincing reason why this court should not adopt it. In that context, the aural similarity of SENSient Flavors and SENSoryEffects Flavor (with "Company" as an immaterial add-on) is sufficient for a jury to weigh this factor in favor of the plaintiff. Of course, "the use of identical dominant words does not *automatically* equate to similarity between marks," *ante,* at 13 (emphasis added), but unlike the authorities cited by the court, *Frosty Treats, Inc.* , 426 F.3d at 1008-09; *Luigino's, Inc. v. Stouffer Corp.*, 170 F.3d 827, 831 (8th Cir. 1999); *Duluth News-Tribune v. Mesabi Publ'g Co.*, 84 F.3d 1093, 1096 (8th Cir. 1996); *Gen. Mills, Inc.*, 824 F.2d at 627, visual distinctions in trade dress do not ameliorate the harm caused by confusingly similar names where auditory similarity is the key issue. *Cf. ante,* at 14 ("Sensient's suggestion to place particular emphasis on the verbal effect of the marks is not without merit.").

That a company's customers are sophisticated does not establish as a matter of law that there is no likelihood of confusion. If the sophisticated oil traders in *Mobil Oil Corp.*, 818 F.2d 254, "might listen to a cold phone call from Pegasus Petroleum . . . when otherwise he might not, because of the possibility that Pegasus Petroleum is related to Mobil," *id.* at 259, even though the possible relationship between those entities required inferences based on knowledge of both Mobil's mark and Greek mythology, then a reasonable jury could reach a similar conclusion here. A sophisticated purchaser of flavor delivery systems

might take a cold call from a fast-talking salesperson attempting to pitch a customer on behalf of "SENSoryeffects Flavor Company" when the buyer is familiar with, or accustomed to dealing with, "SENSient Flavors [Company]." Whether or not a sophisticated customer eventually would sort out the difference, the doctrine of initial interest confusion prevents an infringer from using another's mark to gain "crucial credibility during the *initial* phases of a deal." *Id.* (emphasis added).

The court relies on *Checkpoint Systems, Inc. v. Check Point Software Technologies, Inc.*, 269 F.3d 270 (3d Cir. 2001), for the proposition that careful and sophisticated customers make initial interest confusion less likely, *ante*, at 15, but *Checkpoint Systems* considered findings made by a district court *after a trial*, and held that the district court's finding of no likelihood of confusion was *not clearly erroneous*. *Id.* at 298. Checkpoint Systems did not hold that customer sophistication justified summary judgment against claims of initial interest confusion. The court's discussion of initial interest resolved that "[i]ts significance will vary, and must be determined on a case-by-case basis." *Id.* at 297.

Given the issues of fact surrounding several elements of the analysis, the absence of evidence of actual confusion on this record does not justify summary judgment. The other factors—the strength of the Sensient Flavors mark, the high degree of direct competition, the auditory similarity of the marks in a market characterized by telephone sales, and the evidence of intent to confuse—are sufficient to support a finding that the defendant's mark is likely to confuse. *See Eli Lilly*, 233 F.3d at 465-66 (holding that although there was no evidence of

actual confusion, "the other factors—especially the similarity of the marks, the strength of the [plaintiff's] mark, and [the defendant's] intent to confuse—strongly support[ed] the district court's ultimate conclusion" to grant a preliminary injunction under the Lanham Act). The court makes a reasonable argument that there is no likelihood of confusion, and a jury may reach that conclusion after evaluating credibility and weighing the evidence, but the record does not demonstrate as a matter of law that the court's determination is the only reasonable outcome.

For these reasons, I would reverse the grant of summary judgment on Counts 1-5 and remand for further proceedings.

APPENDIX B

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

[Filed: 06/12/2009]

Case No. 4:08CV00336 ERW

SENSIENT TECHNOLOGIES CORPORATION, *et al.*,
Plaintiffs,

vs.

SENSORYEFFECTS FLAVOR COMPANY, *et al.*
Defendants.

MEMORANDUM AND ORDER

This matter comes before the Court on Plaintiffs' Motion for Summary Judgment [doc. #73], Defendants' Motion for Summary Judgment [doc. #77] and Defendants' Motion to Strike Affidavit of Monica M. Riederer [doc. #89].

I. PROCEDURAL HISTORY

Sensient Technologies Corporation and Sensient Flavors LLC ("Sensient Flavors") (collectively, "Plaintiffs") brought this lawsuit against SensoryFlavors, Inc. ("SensoryFlavors"), SensoryEffects Flavor Company, Performance Chemicals & Ingredients Co. ("Defendant PCI"), Diehl Food Ingredients, Inc. ("Defendant Diehl") and Highlander Partners, L.P. ("Defendant HP") (collectively, "Defendants"). Plaintiffs sought a temporary restraining order prohibiting SensoryFlavors from using their name and mark. The

Court found for Plaintiffs and issued the temporary restraining order on March 21, 2008. SensoryFlavors then began using the names SensoryEffects Flavor Company and SensoryEffects Flavor Systems.[1] As a result of the abandonment of the SensoryFlavors name and the subsequent name change, Plaintiffs withdrew their Motion for Preliminary Injunction.

Plaintiffs subsequently filed an Amended Complaint. In their Amended Complaint, Plaintiffs detailed six grounds for relief, and they seek relief based upon both the SensoryEffects Flavor Systems and the SensoryFlavors names. In Count 1, Plaintiffs seek to recover for Federal Trademark Infringement, Count 2 is a claim for Federal Unfair Competition, Count 3 is a claim for Federal False Advertising, Count 4 is a claim for Common Law Trademark Infringement and Unfair Competition, Count 5 is a claim for Trademark Infringement under Mo. Rev. Stat. § 417.066(1), and in Count 6 Plaintiffs seek to recover for Trademark Dilution under Mo. Rev. Stat. § 417.061(1).

II. MOTION TO STRIKE

Defendants have filed a motion to strike the affidavit of Monica M. Reiderer. They assert that this affidavit should be struck pursuant to Fed. R. CIv. P. 56(e). This Rule requires that affidavits "be made on personal knowledge, set out facts that would be admissible in evidence, and show that the affiant is competent to testify on the matters stated." If an affidavit does not satisfy these requirements, "it is subject to a motion to strike." *McSpadden v. Mullins*, 456 F.2d 428, 430 (8th Cir. 1972).

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[1] Defendants state that they conduct business under the name SensoryEffects Flavor Systems, and as a result, that is the name the Court will use in this Memorandum and Order.

In this affidavit, Reiderer lists each exhibit supporting Plaintiffs' Motion for Summary Judgment and states that the exhibit "is a true and correct copy." The Court acknowledges that what Defendants assert is not that every one of these exhibits is inadmissible, but instead that some of them have not been properly authenticated or contain hearsay. The Court will only consider evidence "that would be admissible in evidence." The Motion to Strike will be granted, in part, and denied, in part.

III. BACKGROUND FACTS[2]

Sensient Technologies Corporation ("Sensient") was previously known as Universal Foods. In 2000, Universal Foods decided to re-brand itself as Sensient, and invested time and money to rename itself and its subsidiaries, including Sensient Flavors. Sensient owns several trademarks, including SENSIENT, SENSIENT TECHNOLOGIES, SENSIJET, SENSIPEARL, SENSIPLAST, and SENSIROME. Sensient also uses the trade name Sensient Flavors. The Sensient marks and trade names have been used since 2000. Sensient Flavors employees are trained to identify their employer as "Sensient Flavors" when communicating with customers in person or over the phone.

Charles Nicolais ("Nicolais") and several other of Defendants' employees previously worked for Sensient Colors, a sister company of Sensient Flavors. Nicolais

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[2] The Court's recitation of the facts is taken from Defendants' Statement of Uncontroverted Facts [doc. #79], Plaintiffs' Response [doc. #85], Defendants' Reply [doc. #92], Plaintiffs' Statement of Uncontroverted Material Facts [doc. #74], Defendants' Statement of Facts in Opposition [doc. #88] and Plaintiffs' Reply [doc. #95].

left Sensient Colors and started a company called Performance Chemicals and Ingredients, LLC. Nicolais later formed Performance Chemicals and Ingredients Co. (Defendant PCI). Defendant PCI purchased substantially all of the assets of Defendant Diehl in May 2006. In November 2006, Defendant PCI purchased substantially all of the assets, equipment, trademarks and trade names of a business named SensoryEffects. SensoryEffects' prior owners had filed an application for the registration of the SensoryEffects name and graphic on July 2004. The trademark was formally registered on July 3, 2007, however, the name and mark had been used in the market since July 2004.

On February 13, 2008, Defendant PCI acquired substantially all of the assets of Givaudan Flavors, Inc. ("Givaudan Flavors"), the dairy flavor systems business within Givaudan Flavors Corporation. When Defendant PCI purchased Givaudan Flavors, they were not permitted to use the Givaudan Flavors name for more than sixty days after the purchase.

Nicolais and Dennis Reid, along with their counsel, were involved in selecting a new name for Givaudan Flavors. Nicolais made the final decision to utilize the name SensoryFlavors. Defendants have presented evidence to the Court that while Nicolais was aware that Sensient had a flavor corporation, he was not aware that they used the name Sensient Flavors. Defendants state that they consulted with their attorneys who searched PTO records and corporate names. They then developed the SensoryFlavors name through combining their SensoryEffects name that had been in use since 2004 and the Givaudan Flavors name. Representatives of Defendants have testified that they selected this name in order to capitalize upon the already established SensoryEffects name and

mark and the goodwill established under the Givaudan Flavors name.

Defendants used the SensoryFlavors name from February 13, 2008 to March 14, 2008, ceasing their use of the name after this lawsuit was filed. During this period, Defendants conducted at least two presentations to customers with that name. Additionally, they used the name on correspondence, and released the name via press release. They also began to construct a website with the name, however, the site was always under construction. After this lawsuit was filed they changed their name to SensoryEffects Flavor Systems.

While their product markets differ slightly, the Parties are direct competitors, as they both sell flavor delivery systems to food and food ingredient companies. Plaintiffs have not produced any evidence of actual confusion over the SensoryEffects Flavor Systems name by any customers or potential customers. The Parties state that some of their initial client contacts come through phone calls to potential customers. However, sales are not completed during that initial phone call. Instead, they work with their potential customers in a collaborative process to produce a product in accordance with the customer's specifications. Plaintiffs have introduced no evidence that Defendants attempted to lure their customers, and the evidence demonstrates that Defendants' customer base is the Givaudan Flavors customer base that they intended to capture when they entered this market. Defendants have introduced evidence that another competitor in their market does business under the name Sensus Flavors, and another corporation uses the name Symrise.

IV. LEGAL STANDARD

Pursuant to Federal Rule of Civil Procedure 56(c), a court may grant a motion for summary judgment only if all of the information before the Court shows "there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). *See Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). The Supreme Court has noted that "[s]ummary judgment procedure is properly regarded not as a disfavored procedural shortcut, but rather as an integral part of the Federal Rules as a whole, which are designed to 'secure the just, speedy and inexpensive determination of every action.'" *Id.* at 327 (quoting Fed. R. Civ. P. 1).

"By its very terms, [Rule 56(c)(1)] provides that the mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no *genuine* issue of *material fact*." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48 (1986). Material facts are those "that might affect the outcome of the suit under the governing law," and a genuine material fact is one "such that a reasonable jury could return a verdict for the nonmoving party." *Id.* at 248. Further, if the nonmoving party has failed to "make a showing sufficient to establish the existence of an element essential to that party's case, . . . there can be 'no genuine issue as to any material fact,' since a complete failure of proof concerning an essential element of the nonmoving party's case necessarily renders all other facts immaterial." *Celotex*, 477 U.S. at 322-23.

The initial burden of proof in a motion for summary judgment is placed on the moving party to establish "the non-existence of any genuine issue of fact that

is material to a judgment in his favor." *City of Mt. Pleasant, Iowa v. Associated Elec. Co-op., Inc.*, 838 F.2d 268, 273 (8th Cir. 1988). Once this burden is discharged, if the record does in fact bear out that no genuine dispute exists, the burden then shifts to the non-moving party who must set forth affirmative evidence and specific facts showing there is a genuine dispute on that issue. *Anderson*, 477 U.S. at 256-57. When the burden shifts, the non-moving party may not rest on the allegations in its pleadings, but by affidavit and other evidence must "do more than simply show that there is some metaphysical doubt as to the material facts." *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586 (1986). In fact, the non-moving party must show there is sufficient evidence favoring the non-moving party which would enable a jury to return a verdict for it. *Anderson*, 477 U.S. at 249; *Celotex*, 477 U.S. at 334. "If the non-moving party fails to produce such evidence, summary judgment is proper." *Olson v. Pennzoil Co.*, 943 F.2d 881, 883 (8th Cir. 1991).

The Court may not "weigh the evidence in the summary judgment record, decide credibility questions, or determine the truth of any factual issue." *Kampouris v. St. Louis Symphony Soc.*, 210 F.3d 845, 847 (8th Cir. 2000). The Court instead "perform[s] only a gatekeeper function of determining whether there is evidence in the summary judgment record generating a genuine issue of material fact for trial on each essential element of a claim." *Id.*

V. DISCUSSION

In their Amended Complaint, Plaintiffs assert six grounds for relief.[3] For each of their claims, they seek to recover for both Defendants' use of the Sensory-Flavors name and the SensoryEffects Flavor Systems name.[4] In their Motions, both Parties have asked that the Court grant summary judgment in their favor on every Count in Plaintiffs' Amended Complaint. Defendants assert that summary judgment should be granted in their favor on Counts 1 through 5 for the SensoryFlavors name because it was not used in commerce. They assert that summary judgment is appropriate for the SensoryEffects Flavor Systems name on Counts 1 through 5 because Plaintiffs cannot meet their burden of showing that the name is likely to cause confusion to consumers. Finally, they ask that the Court grant summary judgment for both names in Count 6 because Plaintiffs cannot establish a likelihood of dilution. The Court will address these three arguments separately.

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[3] In Count 1, Plaintiffs seek to recover for Federal Trademark Infringement, Count 2 is a claim for Federal Unfair Competition, Count 3 is a claim for Federal False Advertising, Count 4 is a claim for Common Law Trademark Infringement and Unfair Competition, Count 5 is a claim for Trademark Infringement under Mo. Rev. Stat. § 417.066(1), and in Count 6 Plaintiffs seek to recover for Trademark Dilution under Mo. Rev. Stat. § 417.061 (1).

[4] Defendants have abandoned the SensoryFlavors name and state that they will not use the name in the future. Plaintiffs state that they are pursuing their claims against this name because they want the Court to issue a permanent injunction to bar Defendants from using the name in the future.

A. *USE IN COMMERCE*

Defendants assert that summary judgment should be granted in their favor because the SensoryFlavors name was never used in commerce. Plaintiffs' claims under the Lanham Act for trademark infringement (Count 1), unfair competition (Count 2) and false advertising (Count 3) all require that the mark be "used in commerce." *See* 15 U.S.C. § 1114(a); 15 U.S.C. § 1125(a); 15 U.S.C. § 1125(a)(1). Additionally, Plaintiffs' common law claims for unfair competition and trademark infringement (Count 4) have been found to "substantially overlap" with the Lanham Act, and use in commerce is also required. *Steak n Shake Co. v. Burger King Corp.*, 323 F. Supp. 2d 983 (E.D. Mo. 2004) (citing *Emerson Elec. Co. v. Emerson Quiet Kool Corp.*, 577 F. Supp. 668, 676 (E.D. Mo. 1983)). Finally, Plaintiffs' claim for trademark infringement (Count 5) under Missouri law requires the application of the same test that is used for the federal cause of action. *See* Mo. Rev. Stat. § 417.056(1).

The term "use in commerce" is defined within the Lanham Act as "the bona fide use of a mark in the ordinary course of trade." 15 U.S.C. § 1127. The statute differentiates between marks that are used in commerce on goods and on services. Defendants produce flavor delivery systems for food and food ingredient companies, and as a result, the Court is concerned with the requirements for goods. A mark is used in commerce on goods where "it is placed in any manner on the goods or their containers . . . and the goods are sold or transported in commerce." 15 U.S.C. § 1127. This "use must be 'deliberate and continuous, not sporadic, casual or transitory.'" *Larson v. Terk Technologies Corp.*, 151 F.3d 140, 146 (4th Cir. 1998) (quoting *La Societe Anonyme des Parfums le Galion*

v. Jean Patou, Inc., 495 F.2d 1265, 1271-72 (2d Cir. 1974)).

Defendants used the SensoryFlavors name from February 13, 2008 to March 14, 2008, ceasing their use of the name after this lawsuit was filed. Their use of the SensoryFlavors name was limited. The evidence shows that they conducted at least two presentations to customers with that name. Additionally, they used the name on correspondence, and released the name via press release. They also began to construct a website with the name, however, the site was always under construction. For these claims to succeed, Plaintiffs must demonstrate that the name was used in commerce, which requires the "sale of goods in commerce." *ConAgra, Inc. v. George A. Hormel, & Co.*, 990 F.2d 368, 371 (8th Cir. 1993). It is clear that none of the ways in which Defendants used the Sensory-Flavors name satisfies the requirements for use in commerce. As a result, summary judgment must be granted for Defendants on Counts 1, 2, 3, 4 and 5 for their use of the SensoryFlavors name.

B. *LIKELY TO CAUSE CONFUSION*

Defendants also ask that the Court grant summary judgment in their favor because Plaintiffs cannot meet their burden of showing that the SensoryEffects Flavor Systems name is likely to cause confusion to consumers. Plaintiffs' claims under the Lanham Act for trademark infringement (Count 1), unfair competition (Count 2) and false advertising (Count 3) all require that the infringing use be "likely to cause confusion or to cause mistake." 15 U. S.C. § 1114(a); 15 U.S.C. § 1125(a); 15 U.S.C. § 1125(a)(1)(A). Additionally, Plaintiffs' common law claims for unfair competition and trademark infringement (Count 4) also require that the defendant use "a similar mark or

name that is likely to cause confusion as to the source of products sold by defendant." *Steak n Shake Co.*, 323 F. Supp. 2d at 990 (citing *Emerson Elec. Co.*, 577 F.Supp. at 676). Finally, Plaintiffs' claim for trademark infringement (Count 5) under Missouri law also requires that the use be "likely to cause confusion or mistake or to deceive as to the source of origin of such goods or services." Mo. Rev. Stat. § 417.056(1).

To determine whether there is a likelihood of confusion, the Court must consider "six non-exclusive factors." *Everest Capital Ltd. v. Everest Funds Management, L.L.C.*, 393 F.3d 755, 759 (8th Cir. 2005). These factors are:

> (1) the strength of the owner's mark; (2) the similarity of the owner's mark and the alleged infringer's mark ; (3) the degree of competition between the products; (4) the alleged infringers intent to 'pass off' its goods as the trademark owner's; (5) incidents of actual confusion; and, (6) the type of product, its cost, and conditions of purchase.

Luigino's Inc. v. Stouffer Corp., 170 F.3d 827, 830 (8th Cir. 1999). "None of these factors alone is dispositive." *Bebe Stores, Inc. v. May Dept. Stores Intern., Inc.*, 230 F.Supp 2d 980, 991 (E.D. Mo. 2002).

Under the first factor, the Court must consider the strength of the owner's mark. *See Luigino's Inc.*, 170 F.3d at 830. A mark can be classified into the following "categories of generally increasing distinctiveness; . . . "(1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful." *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992). A fanciful mark is the strongest kind of mark, and is a mark that "bears no logical relationship to the product or

service it is used to represent." *Welding Services, Inc. v. Forman*, 509 F.3d 1351, 1357-58 (11th Cir. 2007) (using the example of "Kodak"). Sensient is a fanciful word that was coined for the express purpose of functioning as a trademark, brand, and corporate family of names. Sensient is a fanciful mark entitled to the broadest protection.[5] *Two Pesos, Inc.*, 505 U.S. at 768.

While Sensient is entitled to broad protection, Plaintiffs cannot claim an exclusive right to the "Flavors" portion of their Sensient Flavors name. Flavors is a generic term as it "does not identify the source of a product, but rather indicates the basic nature of the product." *Schwan's IP, LLC v. Kraft Pizza Co.*, 460 F.3d 971, 974 (8th Cir. 2006). At best, Flavors may be a descriptive mark if it is found to convey "the nature or function of the product." *Duluth News-Tribune v. Mesabi Pub. Co.*, 84 F.3d 1093, 1096 (8th Cir. 1996). However, descriptive marks are only entitled to protection if they "become distinctive by acquiring a secondary meaning." *Id.* Plaintiffs have not presented evidence that Flavors has acquired a secondary meaning, and as a result, only Sensient is entitled to protection. This first factor favors Plaintiffs.

Under the second factor, the Court must consider the similarity of the marks. Courts are to analyze "similarities of sight, sound, and meaning between two marks." *General Mills Inc. v. Kellogg Co.*, 824 F.2d 622, 627 (8th Cir. 1987). This analysis should not be completed in a vacuum because the Court

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[5] The Court notes that there is some dispute between the parties over whether the Sensient name is actually a descriptive name, combining the words "sensory" and "ingredients." For the purposes of this Motion, Defendants state that they do not object to the finding that this name is fanciful.

"must attempt to recreate the conditions in which buying decisions are made, and . . . what a reasonable purchaser in market conditions would do." *Calvin Klein Cosmetics Corp v. Lenox Labs.*, 815 F.2d 500, 504 (8th Cir. 1987).

The Parties have submitted evidence to the Court detailing the conditions in which purchasing decisions are made for their products. The Parties sell their products to sophisticated customers after a collaborative process in which they work with the buyer to produce a product in accordance with the customer's specifications. As a result of this long, interactive process and the sophistication of their consumers, it is highly unlikely that these buyers would confuse these two names, and the likelihood of confusion is diminished.

Plaintiff responds that they are concerned with what is known as "initial interest confusion." They state that Defendants will be able to use their name to gain access to customers, and even if the customer's confusion over the name dissipates during the collaborative process, they state that they will lose potential purchasers because of their initial confusion. This theory has not been adopted by the Eighth Circuit. *Northland Ins. Co. v. Blaylock*, 115 F.Supp. 2d 1109, 1118-19 (D. Minn. 2000). However, even assuming that it should be applied in this instance, Plaintiffs' argument would still lose on this factor. Plaintiffs have failed to introduce any evidence of any customer experiencing "initial interest confusion." Because initial client contact is sometimes made through phone calls to potential customers, the Court must consider how these names sound. SensoryEffects Flavor Systems sounds different than Sensient Flavors. Plaintiffs encourage the Court to disregard the word

"Systems" in Defendants' name, however, it is clear that there is a distinct auditory difference between the name SensoryEffects Flavor and Sensient Flavors.

Some courts that have analyzed initial interest confusion have relied upon the consumers to which the products were marketed. *See, e.g., Dorr-Oliver, Inc. v. Fluid-Quip, Inc.*, 94 F.3d 376, 383 (7th Cir. 1996). Where the new company markets its product as an alternative to the senior mark, and does not attempt "to lure potential customers away . . . by passing off its [product] as [Plaintiffs']" they find no initial interest confusion. This logic applies to the pending action. Plaintiffs have introduced no evidence that Defendants attempted to lure their customers, and the evidence demonstrates that Defendants' customer base is the Givaudan Flavors customer base that they intended to capture when they entered this market. As a result, Plaintiffs have failed to introduce evidence demonstrating a genuine issue of material fact on the similarity of the marks or any initial interest confusion, and this factor weighs in favor of Defendants.

The third factor asks the degree to which the allegedly infringing product competes with Plaintiffs' goods. While their product markets differ slightly, the Parties are direct competitors as they both sell flavor delivery systems to food and food ingredient companies. As a result, this factor weighs in favor of Plaintiffs.

Under the fourth factor, the Court must determine whether Defendants intended to confuse the public. When considering Plaintiffs' motion for a temporary restraining order, the Court noted that Nicolais selected the SensoryFlavors name and he had been previously employed by Plaintiffs. The Court found that this created a strong inference of Defendants'

intent to confuse the public. *See Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F. 2d 920, 927 (10th Cir. 1986). However, additional discovery has been completed, and the evidence that has been submitted to the Court does not support this conclusion. Nicolais previously worked for Sensient Colors, a sister company of Sensient Flavors. Defendants have presented evidence to the Court that while Nicolais was aware that Sensient had a flavor corporation, he was not aware that they used the name Sensient Flavors. However, even assuming that Nicolais knew of Sensient Flavors, his knowledge does not weigh this factor towards Plaintiffs because "[k]nowledge of another's product and an intent to compete with that product is not, however, equivalent to an intent by a new entrant to a market to mislead and to cause customer confusion." *General Mills, Inc. v. Kellogg Co.*, 824 F.2d 622, 627 (8th Cir. 1987).

Defendants state that when SensoryEffects purchased the Givaudan Flavors Corporation, they were not permitted to use the Givaudan Flavors Corporation name for more than sixty days after the purchase. Defendants state that they consulted with their attorneys who searched PTO records and corporate names. They then developed the SensoryFlavors name through combining their SensoryEffects name that had been in use since 2004 and the Givaudan Flavors Corporation name. After this lawsuit was filed they changed their name to SensoryEffects Flavor Systems.

The facts introduced by Defendants demonstrate that Defendants did not intend to deceive the public and instead selected these names in order to capitalize upon the already established SensoryEffects name and mark and the goodwill established under the

Givaudan Flavors Corporation name. Merging these two names is a logical means to form a name, and does not indicate an intent to confuse. *Duluth News-Tribune, a Div. of Northwest Publ'ns, v. Mesabi Pub. Co.*, 84 F.3d 1093, 1097-98 (8th Cir. 1996). Plaintiffs have failed to introduce any evidence that Defendants intended to deceive the public. Tellingly, Plaintiffs' witnesses even stated that Defendants never misrepresented their products or attempted to pass off their products as Plaintiffs' products, which is the real harm this factor seeks to identify. There is no issue of fact on whether Defendants intended to confuse the public, and the fourth factor weighs in favor of Defendants.

The fifth factor asks whether there have been incidents of actual confusion. *Luigino's Inc.*, 170 F.3d at 830. "Evidence of actual confusion is undoubtedly the best evidence of likelihood of confusion." *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1188 (6th Cir. 1988). While this is "an important factor" it "is not essential to a finding of trademark infringement." *Iowa Paint Mfg. Co. v. Hirshfield's Paint Mfg., Inc.*, 296 F.Supp. 2d 983, 997 (S.D. Iowa 2003) (citing *David Sherman Corp. v. Heublein, Inc.*, 340 F.2d 377, 380 (8th Cir. 1965); *SquirtCo. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980)). Plaintiffs have failed to produce any evidence of actual confusion, and there is no issue of fact on this factor.[6] The absence of actual confusion is especially telling as the SensoryEffects Flavor Systems name has been used by Defendants for approximately

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[6] In Plaintiffs' Statement of Uncontroverted Material Facts [doc. #74] they detail several instances of confusion. These incidents were all related to Defendants' use of the SensoryFlavors name, and not their SensoryEffects Flavor Systems name.

a year. As a result, the fifth factor weighs in favor of Defendants.

The sixth, and final, factor asks about "the type of product, its cost, and conditions of purchase." *Luigino's Inc. v. Stouffer Corp.*, 170 F.3d 827, 830 (8th Cir. 1999). The Parties have failed to introduce evidence on the cost of this product, however, it is well established that the Parties sell their products to sophisticated customers after a collaborative process in which they work with the buyer to produce a product in accordance with the customer's specifications. As a result of this collaborative process, the likelihood of confusion is diminished, and this factor weighs in favor of Defendants.

These six factors must be considered to determine whether there is a likelihood of confusion. *Everest Capital Ltd.*, 393 F.3d at 759. The Court's review of these factors demonstrates that there is no likelihood of confusion. Plaintiffs have a protectable interest in their name due to the strength of their mark, and they directly compete against Defendants, however, this simply is not sufficient for a reasonable jury to "return a verdict for the nonmoving party." *Anderson*, 477 U.S. at 248. Plaintiffs have failed to produce sufficient evidence that there is a likelihood of confusion, which is a necessary element on Counts 1, 2, 3, 4 and 5 of their Amended Complaint. Accordingly, summary judgment will be granted for Defendants on Counts 1, 2, 3, 4 and 5 for their use of the SensoryEffects Flavor Systems name.

C. *LIKELIHOOD OF DILUTION*

In Count 6, Plaintiffs seek to recover for trademark dilution under Mo. Rev. Stat. § 417.061(1). This statute provides for injunctive relief where there exists a

"[l]ikelihood of injury to business reputation or of dilution of the distinctive quality of a mark . . . notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services." Mo. Rev. Stat. § 417.061(1)[7] "The gravamen of a dilution complaint is that the continuing use of a mark similar to the plaintiff's mark will inexorably have an adverse effect upon the value of the plaintiff's mark, and that, if he is powerless to prevent such use, the plaintiff's mark will eventually be deprived of all distinctiveness . . . [D]ilution is a cancer which, if allowed to spread, will inevitably destroy the advertising value of the mark." *WSM, Inc. v. Hilton*, 724 F. 2d 1320, 1332 (8th Cir. 1984) (quoting 3 *The Law of Unfair Competition, Trademarks and Monopolies* 954-55 (3d ed. Cum. Supp. 1982)).

Defendants ask that the Court grant summary judgment on this claim because they assert that Plaintiffs cannot establish a likelihood of dilution. Most courts find that claims for trademark dilution succeed only where "plaintiff's mark is arbitrary, coined, fanciful, or has become distinctive by acquiring a secondary meaning." *Id.* As the Court previously discussed, Sensient is a fanciful mark.[8] *Two Pesos,*

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[7] There are very few Missouri cases that have addressed this statute, however, the statute is based upon the Model State Trademark Act, and in considering this Motion, the Court looked to cases from other states that have enacted similar statutes. *See Cushman v. Mutton Hollow Land Development, Inc.*, 782 S.W.2d 150, 161 (Mo. Ct. App. 1990).

[8] As the Court stated previously, the Parties disptue whether the Sensient name is actually a descriptive name, combining the words "sensory" and "ingredients." For the purposes of this Motion, Defendants state that they do not object to the finding that this name is fanciful.

Inc., 505 U.S. at 768. As a result, this name satisfies this initial requirement. However, this is not the end of the Court's inquiry, as the Court must also consider "evidence of third party usage of similar marks on similar goods." *Steak n Shake Co. v. Burger King Corp.*, 323 F. Supp.2d 983, 992 (E.D. Mo. 2004) (quoting *General Mills, Inc.*, 824 F.2d at 627). This inquiry is "relevant to show that the mark is relatively weak and entitled to a narrower scope of protection." *Id.*

Defendants have introduced evidence that another competitor in their market does business under the name Sensus Flavors, and another corporation uses the name Symrise. A "mark may be classified as weak where there has been extensive third party use of similar marks on similar goods." *EMSL Analytical, Inc. v. Testamerica Analytical Testing Corp.*, 2006 WL 892718, at *8 (D.N.J. April 4, 2006) (internal citations omitted.) These uses demonstrate that while the mark is a fanciful word, "the mark is relatively weak." *General Mills, Inc.*, 824 F.2d at 627.

This statute exists to prevent the "dilution of the distinctive quality of a mark." Mo. Rev. Stat. § 417.061 (1). Only marks that are unique or distinctive are entitled to protection under this statute. *See Cushman*, 782 S.W.2d at 162. Plaintiff has failed to introduce evidence showing that their mark is distinctive, and instead, Defendants have established that several other corporations in the same market utilize very similar sounding names. *WSM, Inc.*, 724 F.2d at 1332. As a result, there is no genuine material fact "such that a reasonable jury could return a verdict for the nonmoving party." *Anderson*, 477 U.S. at 248. Defendants have established that Plaintiffs' mark is actually a weak mark, and is not entitled to protection under Missouri's

trademark dilution statute. As a result, summary judgment is appropriate on all of Plaintiffs' claims.

Accordingly,

IT IS HEREBY ORDERED that Plaintiffs' Motion for Summary Judgment [doc. #73] is DENIED.

IT IS FURTHER ORDERED that Defendants' Motion for Summary Judgment [doc. #77] is GRANTED. All of Plaintiffs' claims are DISMISSED, with prejudice.

IT IS FURTHER ORDERED that Defendants' Motion to Strike Affidavit of Monica M. Riederer [doc. #89] is DENIED, in part, and GRANTED, in part.

So Ordered this 12th Day of June, 2009.

/s/ E. RICHARD WEBBER
E. RICHARD WEBBER
UNITED STATES DISTRICT JUDGE

APPENDIX C

UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

[Filed: 08/26/2010]

No: 09-2686

SENSIENT TECHNOLOGIES CORPORATION
AND SENSIENT FLAVORS, LLC
Appellants,

v.

SENSORYEFFECTS FLAVOR COMPANY, FORMERLY
KNOWN AS SENSORYFLAVORS, INC., *et al.*
Appellees.

Appeal from U.S. District Court for the
Eastern District of Missouri - St. Louis
(4:08-cv-00336-ERW)

ORDER

The petition for rehearing en banc is denied. The petition for rehearing by the panel is also denied.

August 26, 2010

Order Entered at the Direction of the Court:
Clerk, U.S. Court of Appeals, Eighth Circuit.

/s/ Michael E. Gans
Michael E. Gans

APPENDIX D

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

[Filed 06/12/2009]

Case No. 4:08CV00336 ERW

SENSIENT TECHNOLOGIES CORPORATION, *et al.*,
Plaintiff,

vs.

SENSORYEFFECTS FLAVOR COMPANY, *et al.*
Defendant.

JUDGMENT

In accordance with the Memorandum and Order entered on this date and incorporated herein,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants' Motion for Summary Judgment [doc. #77] is GRANTED. All of Plaintiff's claims are DISMISSED WITH PREJUDICE.

Dated this 12th day of June, 2009.

/s/ E. RICHARD WEBBER
E. RICHARD WEBBER
UNITED STATES DISTRICT JUDGE